

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA * CRIMINAL DOCKET NO. 08-165

V. * SECTION: “I”

GREGORY VERNON *

* * *

REVISED FACTUAL BASIS

If this case were to proceed to trial, the United States would prove beyond a reasonable doubt, through credible testimony and reliable evidence, the following facts:

Lafete Tucker was a former client service manager (“CSM”) employed by the Louisiana Workforce Investment Act - District 20 (“LWIA”) which includes Tangipahoa Parish, Louisiana until approximately 2006. He was also the owner/operator/director of Tucker’s Career Counseling (“TCC”) and the Magnified Youth Center (“MYC”), a social services facility in Tangipahoa Parish, Louisiana offering tutoring, study skills training and recreation to children.

GREGORY VERNON, defendant herein, was a former client service manager employed by LWIA until approximately 2004. Defendant **GREGORY VERNON** was also an independent contractor who provided counseling services for Lafete Tucker at the MYC.

LWIA is a local governmental agency controlled by the State of Louisiana through the Tangipahoa Parish School Board and funded by the Employment and Training Administration division of the United States Department of Labor (“ETA”). The LWIA provides needy individuals with job skills, work experience and supportive services such as childcare and transportation.

LWIA’s federally funded benefits are administered by their CSMs who are also empowered to negotiate contracts with “Providers.” Providers are fee based social service businesses. Providers submit Request for Payment Vouchers (“vouchers”) to LWIA and the Louisiana Department of Social Services (“DSS”) for services rendered. These vouchers are reimbursed with federal funds from the ETA and the United States Department of Health and Human Services (“USDHHS”).

Using USDHHS funding through the Temporary Assistance to Needy Families (“TANF”) block grant to the DSS, the DSS offers clients supportive services such as parenting training, student counseling and childcare assistance delivered by means of a “Quality Childcare Initiative Contract” (“Contract”).

Providers are required to attest that the vouchers they submit to LWIA and DSS are true and correct. CSMs are entrusted with ensuring that vouchers submitted by Providers are true and correct before authorizing their payment.

Between approximately September, 2002 through September, 2005, Lafete Tucker, d/b/a TCC, had a contract to operate the MYC. TCC received a USDHHS Contract which was funded by the TANF block grant designated for and administered by DSS to develop and maintain the MYC.

Defendant **GREGORY VERNON**, in his capacity as a CSM, was an agent of LWIA. As an independent contractor supplying counseling services to the MYC under its Contract, defendant **GREGORY VERNON** was also a Provider. As a Provider, defendant **GREGORY VERNON**, was

unlawfully enriched in the amount of \$13,000 by DSS as a result of fraudulent and inflated invoices submitted on his behalf to DSS for counseling services.

Defendant GREGORY VERNON and the Scheme to Defraud LWIA - Kickbacks for Approval of Falsified Childcare Vouchers

Between approximately 2000 - 2005, defendant **GREGORY VERNON** was a CSM entrusted with reviewing, verifying and approving payment of all childcare vouchers submitted to LWIA. This responsibility included the review, verification and approval of childcare vouchers submitted to LWIA by Cribs to Crayons Early Learning Center (“Cribs to Crayons”), a daycare facility owned and operated by Shirley Freeman. In violation of his duty, defendant **GREGORY VERNON** approved and obtained reimbursement for childcare vouchers submitted by Cribs to Crayons to LWIA for the benefit of Shirley Freeman knowing they contained materially false statements in some cases and were duplicate vouchers in other cases. As a reward for his approval of the fraudulent and duplicate vouchers submitted by Cribs to Crayons, defendant **GREGORY VERNON** received a series of monetary kickbacks from Shirley Freeman totaling \$15,903.00 which ensured his continued participation in the scheme. These monetary kickbacks include, but are not limited to the following.

In approximately April, 2004, the defendant **GREGORY VERNON** accepted “DLA” check no. 1652 dated April 15, 2004 for \$1,380 from Shirley Freeman. In approximately May, 2004, the defendant **GREGORY VERNON** accepted “DLA” check no. 1613 dated May 5, 2004 for \$1,260 from Shirley Freeman. In approximately August, 2004, the defendant **GREGORY VERNON** accepted “DLA” check no. 1531 dated August 20, 2004 for \$1,452.00 from Shirley Freeman. In approximately September, 2004, the defendant **GREGORY VERNON** accepted “DLA” check no.

1795 dated September 11, 2004 for \$1,540 from Shirley Freeman. In approximately January, 2005, the defendant **GREGORY VERNON** accepted “DLA” check no. 1923, dated January 12, 2005 for \$1,732 from Shirley Freeman.

In summary, the evidence introduced at trial would establish all of the elements of the offense and prove defendant **GREGORY VERNON’S** guilt beyond a reasonable doubt.

READ AND APPROVED:

GREGORY VERNON (Date)
Defendant

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Assistant U.S. Attorney

ANTHONY BERTUCCI (Date)
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